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☐ USA Securities, LLC

1 Annette W. Jarvis, Utah Bar No. 1649 E-FILED ON FEBRUARY 20, 2007 RAY QUINNEY & NEBEKER P.C. 2 36 South State Street, Suite 1400 P.O. Box 45385 3 Salt Lake City, Utah 84145-0385 Telephone: (801) 532-1500 4 Facsimile: (801) 532-7543 5 Email: ajarvis@rqn.com and 6 Lenard E. Schwartzer 7 Nevada Bar No. 0399 Jeanette E. McPherson 8 Nevada Bar No. 5423 Schwartzer & McPherson Law Firm 9 2850 South Jones Boulevard, Suite 1 Las Vegas, Nevada 89146-5308 10 Telephone: (702) 228-7590 11 Facsimile: (702) 892-0122 E-Mail: <u>bkfilings@s-mlaw.com</u> 12 Attorneys for Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEVADA

In re:
USA COMMERCIAL MORTGAGE COMPANY,
Debtor.
In re:
USA CAPITAL REALTY ADVISORS, LLC,
Debtor.
In re:
USA CAPITAL DIVERSIFIED TRUST DEED
FUND, LLC,
Debtor.
In re:
USA CAPITAL FIRST TRUST DEED FUND, LLC,
Debtor.
In re:
USA SECURITIES, LLC,
Debtor.
Affects:
☐ All Debtors
■ USA Commercial Mortgage Company
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed Fund, LLC
☐ USA Capital First Trust Deed Fund, LLC

Case No. BK-S-06-10725 LBR Case No. BK-S-06-10726 LBR Case No. BK-S-06-10727 LBR Case No. BK-S-06-10728 LBR Case No. BK-S-06-10729 LBR

Chapter 11

Jointly Administered Under Case No. BK-S-06-10725 LBR

MONTHLY OPERATING REPORT FOR JANUARY 2007 (AFFECTS USA **COMMERCIAL MORTGAGE COMPANY**)

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEVADA

In re: USA Commercial Mortgage Company	Case No.	06-10725-LBR
	CHAPTER 11 MONTHLY OPERAT (GENERAL BUSINES	

] (GENERAL BOSHIE	35 CASE)	
	SUMMARY OF	FINANCIAL STAT	US	
	MONTH ENDED: 01/31/07	PETITION DATE:	04/13/06	
1.	Debtor in possession (or trustee) hereby submits this Monthly Ope the Office of the U.S. Trustee or the Court has approved the Cash Dollars reported in \$1			checked here
		End of Current	End of Prior	
2.	Asset and Liability Structure	Month	Month	As of April 13, 2006
	a. Current Assets	\$70,661,720	\$69,369,665	• ,
	b. Total Assets	\$129,504,279	\$128,228,678	\$122,468,825
	c. Current Liabilities	\$32,639,284	\$31,010,810	
	d. Total Liabilities	\$94,465,005	\$92,836,531	\$61,634,630
		 		Cumulative
3.	Statement of Cash Receipts & Disbursements for Month	Current Month	Prior Month	(Case to Date)
	a. Total Receipts	\$1,854,208	\$4,541,880	\$15,027,262
	b. Total Disbursements	\$782,992	\$391,336	\$6,842,140
	c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$1,071,216	\$4,150,544	\$8,185,122
	d. Cash Balance Beginning of Month	\$7,690,138	\$3,539,594	\$576,231
	e. Cash Balance End of Month (c + d)	\$8,761,354	\$7,690,138	\$8,761,354
				Cumulative
		Current Month	Prior Month	(Case to Date)
4.	Profit/(Loss) from the Statement of Operations	(\$352,873)	(\$115,020)	(\$3,968,619)
5.	Account Receivables (Pre and Post Petition)	\$22,026,889	\$21,797,195	
6.	Post-Petition Liabilities	\$32,639,284	\$31,010,810	
7.	Past Due Post-Petition Account Payables (over 30 days)	\$40,592	\$40,592	
A + +1	ne end of this reporting month:		Yes	<u>No</u>
8.	Have any payments been made on pre-petition debt, other than pay	ments in the normal	163	<u>110</u> Х
0.	course to secured creditors or lessors? (if yes, attach listing include			Λ
	payment, amount of payment and name of payee)	ing date of		
9.	Have any payments been made to professionals? (if yes, attach lis	ting including date of	х	
7.	payment, amount of payment and name of payee)	ang moraamg aato or		
10.	If the answer is yes to 8 or 9, were all such payments approved by	the court?	X	
11.	Have any payments been made to officers, insiders, shareholders,			X
	attach listing including date of payment, amount and reason for pa)	· · · · · · · · · · · · · · · · · · ·
12.	Is the estate insured for replacement cost of assets and for general		•	X
13.	Are a plan and disclosure statement on file?	·	x	
14.	Was there any post-petition borrowing during this reporting period	1?		X
				0 7
15.		rustee Quarterly Fees X	_; Check if filing is current	for: Post-petition
	(Attach explanation, if post-petition taxes or U.S. Trustee Quarter	ly Fees are not paid current	t or if post-petition tax	
	reporting and tax return filings are not current.)			
		, /	¬ /	
I dec	lare under penalty of perjury I have reviewed the above summary an	d attached financial statem	nents, and after making reaso	nable inquiry
	ve these documents are correct.	1		• •
			////	
	. **	<pre>//) ///</pre>		
Data	2/20/07	11/1	74 <u> </u>	
Date	210010	Responsible Individual		
		reshousing manahaga		

STATEMENT OF OPERATIONS

(General Business Case)

For the Month Ended 01/31/07

	Current Month				
<u>Actual</u>	<u>Forecast</u>	<u>Variance</u>	_	Cumulative (Case to Date)	Next Month Forecast
\$2,025,718		\$2,025,718 \$0	Revenues: 1 Gross Sales 2 less: Sales Returns & Allowances	\$15,736,153	
\$2,025,718	\$0	\$2,025,718 \$0	3 Net Sales 4 less: Cost of Goods Sold (Schedule 'B')	\$15,736,153	\$0
\$2,025,718	\$0	\$2,025,718	5 Gross Profit	\$15,736,153	\$0
\$19,918		\$19,918	6 Interest	\$81,793	
		\$0	7 Other Income:	\$8,044	
\$7,000		\$7,000 \$0	8 Intercompany allocations	\$334,467	7224
\$2,052,636	\$0	\$2,052,636	10 Total Revenues	\$16,160,457	\$0
			Expenses:		
		\$0	11 Compensation to Owner(s)/Officer(s)		
\$188,436		(\$188,436)	12 Salaries	\$1,424,858	
		\$0	13 Commissions	\$140,833	
		\$0	14 Contract Labor		BANKS Y T THE RESIDENCE OF THE SAME AND Y AND THE SAME AND A SAME
<u> </u>			Rent/Lease:	CONTRACTOR TO THE SET OF THE SET	B-71 Salar 14 17 Tarket Section 1 (100 17 Section 100 10 Section 100 100 100 100 100 100 100 100 100 10
		\$0	15 Personal Property	\$8,861	
\$48,908		(\$48,908)	16 Real Property	\$467,890	
\$1,385		(\$1,385)	17 Insurance	\$41,348	·
		\$0	18 Management Fees		
\$16,454		(\$16,454)	19 Depreciation	\$176,590	
00.166		(00.166)	Taxes:	AM (30 m	
\$8,166		(\$8,166)	20 Employer Payroll Taxes	\$76,385	
# A O 51		\$0	21 Real Property Taxes	MA1 110	
\$4,251	*******************************	(\$4,251)	22 Other Taxes	\$41,110	
\$138		(\$138)	23 Other Selling24 Other Administrative	\$53,084	
\$39,373	***************************************		25 Interest	\$792,509 \$4,556	***************************************
MANAGER CONTRACTOR CON		\$0	26 Other Expenses:	\$4,330	The last desired and desired management and the second sec
**************************************		\$0	27		
		\$0	28		
		\$0	29	7	
		\$0	30	·	
-		\$0	31	**************************************	
		\$0	32		
	WILLIAM TO THE TOTAL THE TOTAL TO THE TOTAL THE TOTAL TO	\$0	33	NAME OF TAXABLE PARTY IN COLUMN TO TAXABLE PARTY	•
		\$0	34		
\$307,111	\$0	(\$307,111)	35 Total Expenses	\$3,228,024	\$0
\$1,745,525	\$0	\$1,745,525	36 Subtotal	\$12,932,433	\$0
			Reorganization Items:		
(\$2,098,398)		\$2,098,398	37 Professional Fees	(\$16,883,052)	
		\$0	38 Provisions for Rejected Executory Contracts		
		\$0	39 Interest Earned on Accumulated Cash from		
· · · · · · · · · · · · · · · · · · ·			Resulting Chp 11 Case	·	
		\$0	40 Gain or (Loss) from Sale of Equipment		
		\$0	41 U.S. Trustee Quarterly Fees	(\$18,000)	
	······	\$0	42		
(\$2,098,398)	\$0	\$2,098,398	43 Total Reorganization Items	(\$16,901,052)	\$0
(\$352,873)	\$0_		44 Net Profit (Loss) Before Federal & State Taxes	(\$3,968,619)	\$0
***************************************		\$0	45 Federal & State Income Taxes		
(\$352,873)	\$0	\$0_	46 Net Profit (Loss)	(\$3,968,619)	\$0_
			,		

BALANCE SHEET

(General Business Case)

For the Month Ended 01/31/07

Assets

		From Schedules	Market Value ¹
	Current Assets		
1	Cash and cash equivalents - unrestricted		\$2,023,500
2	Cash and cash equivalents - restricted		\$6,737,854
3	Accounts receivable (net)	Α	\$22,026,889
4	Inventory	В	\$0
5	Prepaid expenses		\$17,743
6	Professional retainers		
7	Other: Borrowers interest advances		\$23,893,982
8	Funds held in Collection account		\$15,961,752
9	Total Current Assets		\$70,661,720
	Property and Equipment (Market Value)		
10	Real property	С	\$0
11	Machinery and equipment	D	\$0
12	Furniture and fixtures	D	\$139,449
13	Office equipment	D	\$272,236
14	Leasehold improvements	D	\$55,955
15	Vehicles	D	\$0
16	Other:	D	
17		D	
18			
19			
20	And the second s	D	
21	Total Property and Equipment		\$467,640
	Other Assets		
22	Loans to shareholders		
23	Loans to affiliates		
24	Related Party loan		\$58,374,919
25			
26			
27		MANAGEMENT AND	
28	Total Other Assets		\$58,374,919
29	Total Assets		\$129,504,279

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

Liabilities and Equity (General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

Salaries and wages		\$28,030
Payroll taxes	-	
· · · · · · · · · · · · · · · · · · ·	-	
Income taxes	-	
Sales taxes	-	
Notes payable (short term)	-	
* *	A	\$338,319
	-	
	-	
	-	\$12,487,987
	(due within 12 months)	
	· · · · · · · · · · · · · · · · · · ·	\$1,105,535
Escrow deposit and other liabilities	•	\$6,701,697
	sactions	\$11,977,716
Total Current Liabilities		\$32,639,284
Long-Term Post-Petition Debt, Net of Current Port	ion	
Total Post-Petition Liabilities		\$32,639,284
Pre-Petition Liabilities (allowed amount) ¹		
Secured claims ¹	F	\$0
Priority unsecured claims	F	\$169,742
	•	
General unsecured claims	Γ.	\$61,655,979
Total Pre-Petition Liabilities	-	\$61,825,721
Total Liabilities		\$94,465,005
ity (Deficit)		
Retained Earnings/(Deficit) at time of filing		\$38,932,893
Capital Stock	-	\$75,000
Additional paid-in capital	•	
Cumulative profit/(loss) since filing of case	•	(\$3,968,619)
Post-petition contributions/(distributions) or (draws)		
Market value adjustment	-	
Total Equity (Deficit)	-	\$35,039,274
al Liabilities and Equity (Deficit)		\$129,504,279
	Sales taxes Notes payable (short term) Accounts payable (trade) Real property lease arrearage Personal property lease arrearage Personal property lease arrearage Accrued professional fees Current portion of long-term post-petition debt Other: Retirement plan Escrow deposit and other liabilities Adjustment for Loan Servicing trans Total Current Liabilities Long-Term Post-Petition Debt, Net of Current Porti Total Post-Petition Liabilities Pre-Petition Liabilities (allowed amount) Secured claims Priority unsecured claims General unsecured claims Total Pre-Petition Liabilities Total Liabilities ty (Deficit) Retained Earnings/(Deficit) at time of filing Capital Stock Additional paid-in capital Cumulative profit/(loss) since filing of case Post-petition contributions/(distributions) or (draws) Market value adjustment Total Equity (Deficit)	Income taxes Sales taxes Notes payable (short term) Accounts payable (trade) Real property lease arrearage Personal property lease arrearage Accrued professional fees Current portion of long-term post-petition debt (due within 12 months) Other: Retirement plan Escrow deposit and other liabilities Adjustment for Loan Servicing transactions Total Current Liabilities Long-Term Post-Petition Debt, Net of Current Portion Total Post-Petition Liabilities Pre-Petition Liabilities (allowed amount) Secured claims F Priority unsecured claims F General unsecured claims F Total Pre-Petition Liabilities Total Pre-Petition Liabilities ty (Deficit) Retained Earnings/(Deficit) at time of filing Capital Stock Additional paid-in capital Cumulative profit/(loss) since filing of case Post-petition contributions/(distributions) or (draws) Market value adjustment Total Equity (Deficit)

NOTE:

^{1 -} Allowed Amounts have not yet been determined and are contigent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

SCHEDULES TO THE BALANCE SHEET

(General Business Case)

Schedule A

Accounts Receivable and (Net) Payable

Receivables and Payables Agings 0 -30 Days 31-60 Days 61-90 Days 91+ Days Total accounts receivable/payable Allowance for doubtful accounts Accounts receivable (net)		Accounts Receivable [Pre and Post Petition] \$0	Accounts Payable [Post Petition] \$297,727 \$0 \$250 \$40,342 \$338,319	Past Due Post Petition Debt \$40,592
	s	chedule B		
	Inventory/	Cost of Goods Sold		
Types and Amount of Inventory(ies)	Inventory(ies) Balance at	Cost of Goods Sold		
Retail/Restaurants - Product for resale	End of Month	Inventory Beginning of M Add - Net purchase Direct labor	onth	
Distribution - Products for resale		Manufacturing overhead Freight in Other:		
Manufacturer - Raw Materials Work-in-progress Finished goods Other - Explain		Less - Inventory End of Month Shrinkage Personal Use		
TOTAL	\$0	Cost of Goods Sold		\$0
Method of Inventory Control Do you have a functioning perpetual i Yes No How often do you take a complete phy		Inventory Valuation Meth Indicate by a checkmark me Valuation methods - FIFO cost		
Weekly Monthly Quarterly Semi-annually Annually Date of last physical inventory was		LIFO cost Lower of cost or market Retail method Other Explain		

Date of next physical inventory is

Schedule C Real Property

Description		<u>Cost</u>	Market Value
Total		\$0	\$0
	Schedule D Other Depreciable Assets		
Description Machinery & Equipment -		<u>Cost</u>	Market Value
Total		\$0	\$0
Furniture & Fixtures -			
Total		\$0	\$0
Office Equipment -			
Total		\$0	\$0
Leasehold Improvements -			
Total		\$0	\$0
Vehicles -			

Total

\$0

\$0

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Schedule E Aging of Post-Petition Taxes (As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	31-60 Days	61-90 Days	91+ Days	<u>Total</u>
Federal					
Income Tax Withholding				***************************************	\$0
FICA - Employee				·	\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)				,	\$0
Sales					\$0
Excise	***************************************	•			\$0
Real property	•	······································		<u> </u>	\$0
Personal property	***************************************	•		*************************************	\$0
Income	**************************************	•			\$0
Other (Attach List)	·			**************************************	\$0
Total State & Local Taxes	\$0	<u>\$0</u>	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F Pre-Petition Liabilities

	Claimed ¹ Allowed ²
<u>List Total Claims For Each Classification -</u>	Amount Amount (b)
Secured claims (a)	
Priority claims other than taxes	\$123,916
Priority tax claims	\$45,826
General unsecured claims	\$61,655,979

- (a) List total amount of claims even it under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G

Rental Income Information

Not applicable to General Business Cases

Schedule H Recapitulation of Funds Held at End of Month

	Account 1	Account 2	Account 3	Account 4	Account 5
Bank	Bank of America	Bank of America	Citibank	Bank of America	
Account Type	Analyzed Checking	Analyzed Checking	Business Account	Money Market	
Account No.	3755532383	3755532419	500078217	3755547323	
Account Purpose	General	Payroll	Citibank Interest	Escrow Account	Petty Cash
Balance, End of Month	\$2,018,927	\$3,949	\$324	\$6,737,854	\$300
Total Funds on Hand for all Accounts	\$8,761,354				

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

NOTES:

- 1 Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.
- 2 Allowed Amounts have not yet been determined and are contigent upon approval from the Bankruptcy Court.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 01/31/07

	Actual Current Month	Cumulative (Case to Date)
Cash Receipts	<u>Current Monan</u>	(3000 10 13 010)
1 Rent/Leases Collected		
2 Cash Received from Sales	\$1,460,401	\$6,722,583
3 Interest Received	\$19,918	\$109,880
4 Borrowings		<u> </u>
5 Funds from Shareholders, Partners, or Other Insiders		\$5,000
6 Capital Contributions		
7 Management Fees from USA Capital Realty Advisors, LLC	\$373,889	\$1,401,269
8 Tax and Security Deposit Refund	***************************************	\$5,698
9 Principal Received on Notes Receivable		\$82,832
10 Escrow Deposit		\$6,700,000
11		
12 Total Cash Receipts	\$1,854,208	\$15,027,262
Cash Disbursements		
Payments for Inventory		AA 215
14 Selling	h - C	\$2,619
15 Administrative	\$46,725	\$567,500
16 Capital Expenditures	Annual Control of the	0150 CAE
17 Principal Payments on Debt	And the second s	\$150,645
18 Interest Paid	**************************************	\$4,888
Rent/Lease:		#O O C 2
19 Personal Property	0100.527	\$9,963
20 Real Property	\$102,537	\$543,432
Amount Paid to Owner(s)/Officer(s)		
21 Salaries		
22 Draws	***************************************	
Commissions/Royalties		,
24 Expense Reimbursements		770
25 Other	#130.042	#1.202.02B
Salaries/Commissions (less employee withholding)	\$139,243	\$1,203,038
27 Management Fees Taxes:		<u> </u>
28 Employee Withholding	\$20,180	\$174,860
29 Employer Payroll Taxes	\$8,369	\$79,812
30 Real Property Taxes		
31 Other Taxes	\$5,085	\$15,028
32 Other Cash Outflows:		
Professional Fees Paid in Connection with Chapter 11 Case	e \$460,853	\$4,080,355
U.S. Trustee Quarterly Fees		\$10,000
35		
36		
37		
38 Total Cash Disbursements:	\$782,992	\$6,842,140
39 Net Increase (Decrease) in Cash	\$1,071,216	\$8,185,122
40 Cash Balance, Beginning of Period	\$7,690,138	\$576,231

STATEMENT OF CASH FLOWS

(Optional) Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 01/31/07

Cash Reaceword missales	C	ash Flows From Operating Activities	Actual <u>Current Month</u>	Cumulative (Case to Date)
Interest Received \$10,018 \$10,088 \$10,289 \$10,240 \$10,018 \$10,	1	Cash Received from Sales	\$1,460,401	\$6,722,583
Cash Paid for Selling Expenses 32,019 36,025 355,036 36,			#10.010	#100 000
Cash Paul for Schling Expenses \$45,725 \$557,506 \$78,007			\$19,918	\$109,880
Cash Paid for Administrative Expenses \$46,725 \$567,000 \$567,000 \$608,000 \$60			OF THE PROPERTY OF THE PROPERT	\$2,619
Personal Property	6	Cash Paid for Administrative Expenses	\$46,725	\$567,500
Real Property \$10,257 \$43,432 \$43,842 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848 \$10 \$2,848	_			***
Cash Paid for Interest S139,243 S1,203,038 Cash Paid for Not Payroll and Benefits S139,243 S1,203,038 Cash Paid for Notwarts) (Officer(s) Cash Paid for Notwarts) (Officer(s) Cash Paid for Notwarts) (Officer(s) Cash Paid for Cash Parvoll del Used) by Investing Activities Cash Parvolled (Used) by			\$102.527	
Cash Paid for New Payroll and Benefits S139,243 S1,203,038 Cash Paid to Owner(s)Officer(s) Salaries			\$102,337	
Cash Paid to Owner(s) Officer(s)			\$139,243	
12 Draws Sepense Reinbursements September Re			***************************************	
1				
Expense Reimbursements				**************************************
Cash Part Cash Provided (Used) by Operating Activities before Reorganization Items S460,855 S10,000				
Cash Paid for Taxes Paid/Deposited to Tax Acet \$8,369 \$79,812 16 Employer Payord Taxes \$20,180 \$174,860 17 Employer Withholdings \$20,180 \$174,860 18 Real Property Taxes \$55,085 \$15,028 20 Cash Paid for General Expenses \$55,085 \$15,028 21 Management Pees from USA Capital Really Advisors, LLC \$333,889 \$(\$1,401,289) 22 Tax and Security Deposit Refund \$(\$35,688) \$(\$35,688) 24 Tax and Security Deposit Refund \$(\$35,688) \$(\$35,882) 25 Timepal Received on Notes Receivable \$(\$35,688) \$(\$45,882) 26 Timepal Received on Notes Receivable \$(\$5,000,000) \$(\$5,721,122) 27 Net Cash Provided (Used) by Operating Activities before Reorganization Items \$1,532,069 \$5,721,122 28 Interest Received on Cash Accumulated Due to Clip 11 Case \$(\$6,700,000) \$3,830,000 \$3,830,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,000 \$3,800,		<u>.</u>	ACTION OF THE STREET, AND ADDRESS OF THE STREET,	
Employee Withholdings			-	
Real Property Taxes	16			
Other Taxes			\$20,180	\$174,860
Cash Paid for General Expenses			£5.005	Ø15 020
Management Fees from USA Capital Realty Advisors, LLC			\$3,083	\$13,028
Tax and Security Deposit Refund (\$3,6,98) C\$82,832			(\$373,889)	(\$1,401,269)
24		Tax and Security Deposit Refund		
Net Cash Provided (Used) by Operating Activities before Reorganization Items \$1,532,069 \$5,721,122		Principal Received on Notes Receivable		(\$82,832)
Net Cash Provided (Used) by Operating Activities before Reorganization Items \$1,532,069 \$5,721,122				
27 Net Cash Provided (Used) by Operating Activities before Reorganization Items \$1,532,069 \$5,721,122 Cash Flows From Reorganization Items		- The state of the	**************************************	
Cash Flows From Reorganization Items	20			
1		Interest Received on Cash Accumulated Due to Chp 11 Case		
Secrit			\$460,853	
32 Net Cash Provided (Used) by Reorganization Items (\$460,853) \$2,609,645 33 Net Cash Provided (Used) for Operating Activities and Reorganization Items \$1,071,216 \$8,330,767 Cash Flows From Investing Activities 34 Capital Expenditures \$1,071,216		•		
Net Cash Provided (Used) for Operating Activities and Reorganization Items Cash Flows From Investing Activities Capital Expenditures Proceeds from Sales of Capital Goods due to Chp 11 Case Net Cash Provided (Used) by Investing Activities Net Borrowings (Except Insiders) Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Principal Payments Net Cash Provided (Used) by Financing Activities Net Borrowings from Shareholders, Partners, or Other Insiders Net Borrowings from Shareholders, Partners, or Other Insiders Net Roor Shareholders, Partners, or Other Insiders Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Signature Shareholders, Partners, or Other Insiders Sig	31	Escrow Deposit	***************************************	(\$6,700,000)
Cash Flows From Investing Activities Capital Expenditures Proceeds from Sales of Capital Goods due to Chp 11 Case Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Principal Payments Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Society of the Increase (Decrease) in Cash and Cash Equivalents Society of Cash and Cash Equivalents at Beginning of Month Society of Cash Provided (Used) by Financing Activities Society of Cash and Cash Equivalents at Beginning of Month Society of Cash Provided (Used) by Financing Activities Society of Cash and Cash Equivalents at Beginning of Month	32	Net Cash Provided (Used) by Reorganization Items	(\$460,853)	\$2,609,645
Capital Expenditures Proceeds from Sales of Capital Goods due to Chp 11 Case Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents \$1,071,216 \$8,185,122 As Cash and Cash Equivalents at Beginning of Month	33 No	et Cash Provided (Used) for Operating Activities and Reorganization Items	\$1,071,216	\$8,330,767
Proceeds from Sales of Capital Goods due to Chp 11 Case Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents Social States of Capital Contributions 1,071,216 Sand Cash Equivalents at Beginning of Month Social States of Capital Contributions Social States of Capital Capi	C	ash Flows From Investing Activities		
Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents Society States of the Cash Provided (Used) by Financing Activities Society States of Cash and Cash Equivalents Net Increase (Decrease) in Cash and Cash Equivalents Society States of Cash Provided (Used) by Financing Activities Society States of Cash Provided (Used) States of Cash and Cash Equivalents Society States of Cash Provided (Used)		1 1	***************************************	
Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents Sometimal States of the Cash Provided (Used) by Financing Activities Sometimal States of the Cash Provided (Used) by Financing Activities Sometimal States of Cash and Cash Equivalents Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash Provided (Used) by Financing Activities Sometimal States of Cash		Proceeds from Sales of Capital Goods due to Chp 11 Case		
Cash Flows From Financing Activities Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents Society 150,645 150,645 160,71,216 170,71,216 170,71,2				
Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents Sometime of Month Somet		, , , , , , , , , , , , , , , , , , ,	<u>\$0</u>	\$0
Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents S5,000 \$150,645 \$0 (\$145,645) 44 Net Increase (Decrease) in Cash and Cash Equivalents \$1,071,216 \$8,185,122 45 Cash and Cash Equivalents at Beginning of Month \$7,690,138 \$576,231		-		
Capital Contributions Principal Payments Net Cash Provided (Used) by Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents Solution (\$145,645) 10 (\$145,645) 10 (\$145,645) 11 (\$1,071,216) 12 (\$1,071,216) 13 (\$1,071,216) 14 (\$1,071,216) 15 (\$2,071,216) 16 (\$1,071,216) 17 (\$2,071,216) 18 (\$3,185,122) 18 (\$3,185,122) 19 (\$3,185,122) 10 (\$3,185,122) 10 (\$3,185,122) 11 (\$3,185,122) 12 (\$3,185,122) 13 (\$3,185,122) 14 (\$3,185,122) 15 (\$3,185,122) 16 (\$3,185,122) 17 (\$3,185,122) 18 (\$3,185,122) 18 (\$3,185,122) 19 (\$3,185,122) 19 (\$3,185,122) 10 (\$3,185,122) 10 (\$3,185,122) 11 (\$3,185,122) 11 (\$3,185,122) 12 (\$3,185,122) 13 (\$3,185,122) 14 (\$3,185,122) 15 (\$3,185,122) 16 (\$3,185,122) 17 (\$3,185,122) 18 (\$3,185,12				
41 Principal Payments \$150,645 42 \$150,645 43 Net Cash Provided (Used) by Financing Activities \$0 (\$145,645) 44 Net Increase (Decrease) in Cash and Cash Equivalents \$1,071,216 \$8,185,122 45 Cash and Cash Equivalents at Beginning of Month \$7,690,138 \$576,231				\$5,000
Net Cash Provided (Used) by Financing Activities 80 (\$145,645) 44 Net Increase (Decrease) in Cash and Cash Equivalents \$1,071,216 \$8,185,122 45 Cash and Cash Equivalents at Beginning of Month \$7,690,138 \$576,231				\$150,645
44 Net Increase (Decrease) in Cash and Cash Equivalents \$1,071,216 \$8,185,122 45 Cash and Cash Equivalents at Beginning of Month \$7,690,138 \$576,231				3130,043
45 Cash and Cash Equivalents at Beginning of Month \$7,690,138 \$576,231	43	Net Cash Provided (Used) by Financing Activities	\$0	(\$145,645)
	44 No	et Increase (Decrease) in Cash and Cash Equivalents	\$1,071,216	\$8,185,122
46 Cash and Cash Equivalents at End of Month \$8.761,354 \$8,761,354	45 Ca	ash and Cash Equivalents at Beginning of Month	\$7,690,138	\$576,231
	46 C a	ash and Cash Equivalents at End of Month	\$8,761,354	\$8,761,354

USA Commercial Mortgage Company Question 9 - Payments to Professionals January 1, 2007 - January 31, 2007

	Tota	al Paid During Month
BMC Group Committee Member Expenses	\$	453,057.55 7,795.89
Total Fees & Expenses		460,853.44

USA COMMERCIAL MORTGAGE COMPANY - COLLECTION ACCOUNT STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 01/31/07

		Actual <u>Current Month</u>	Cumulative (Case to Date)
Cash I	Receipts		
	Rent/Leases Collected	The state of the s	
	Cash Received from Sales		
	Interest Received	\$174,547	\$1,736,94
	Borrowings		
	Funds from Shareholders, Partners, or Other Insiders		
	Capital Contributions	#22 029 049	\$241.200.C4
	Cash Received - See Attachment A	\$22,038,948	\$241,308,64
	Total Cash Receipts	\$22,213,495	\$243,045,589
Cash I	Disbursements		
	Payments for Inventory		
	Selling	NAME OF THE OWNER OWNER OF THE OWNER	
	Administrative	A	
	Capital Expenditures		
	Principal Payments on Debt	**************************************	
	Interest Paid		
	Rent/Lease:		
	Personal Property		
	Real Property		
	Amount Paid to Owner(s)/Officer(s)		
	Salaries		
	Draws		
	Commissions/Royalties		
	Expense Reimbursements		
	Other		
	Salaries/Commissions (less employee withholding)		
	Management Fees Taxes:		
	Employee Withholding		
	Employer Payroll Taxes		
	Real Property Taxes	***************************************	
	Other Taxes		
	Other Cash Outflows:		
	Extension/Late Fees/Default Interest Collected on Behalf of USA CM	\$92,049	\$770,27
	Service Fees Paid to USA Commercial Mortgage	\$360,642	\$3,073,85
	Payments to Investors	\$19,110,199	\$188,544,07

	Total Cash Disbursements:	\$19,562,890	\$192,388,20
Net In	crease (Decrease) in Cash	\$2,650,605	\$50,657,38
Cash	Balance, Beginning of Period	\$57,060,193	\$9,053,41
	Balance, End of Period	\$59,710,798	\$59,710,79

USA COMMERCIAL MORTGAGE COMPANY - COLLECTION ACCOUNT STATEMENT OF CASH FLOWS

(Optional) Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 01/31/07

C	ash Flows From Operating Activities	Actual <u>Current Month</u>	Cumulative (Case to Date)
1	Cash Received from Sales		
2	Rent/Leases Collected	Commission	
3	Interest Received	\$174,547	\$1,736,948
4	Cash Paid to Suppliers		
5 6	Cash Paid for Selling Expenses Cash Paid for Administrative Expenses		
0	Cash Paid for Rents/Leases:		
7	Personal Property		
8	Real Property		
9	Cash Paid for Interest		
10	Cash Paid for Net Payroll and Benefits		
	Cash Paid to Owner(s)/Officer(s)		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct		
16	Employer Payroll Tax		
17	Employee Withholdings		
18	Real Property Taxes	***************************************	
19	Other Taxes		
20	Cash Paid for General Expenses Cash Received - See Attachment A	(\$22,038,948)	(\$241,308,641)
21 22	Extension/Late Fees/Default Interest Collected on Behalf of USA CM	\$92,049	\$770.279
23	Compact East Paid to LICA Commercial Mortange	\$360,642	\$3,073,852
24	Pt-t-1t	\$19,110,199	\$188,544,077
25		<u> </u>	4700,571,077
26		and a supplied to the second t	
28 29 30	Interest Received on Cash Accumulated Due to Chp 11 Case Professional Fees Paid for Services in Connection with Chp 11 Case U.S. Trustee Quarterly Fees		
31 32	Net Cash Provided (Used) by Reorganization Items	\$0	\$0
33 N	Set Cash Provided (Used) for Operating Activities and Reorganization Items	\$2,650,605	\$50,657,381
C	Cash Flows From Investing Activities		
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	Net Cash Provided (Used) by Investing Activities	\$0_	\$0
C	Cash Flows From Financing Activities		
	•		
38 39	Net Borrowings (Except Insiders) Net Borrowings from Shareholders, Partners, or Other Insiders	-	
39 40	Capital Contributions		
41	Principal Payments		MINISTER TO THE TOTAL THE TOTAL TO THE TOTAL THE TOTAL TO THE TOTAL TH
42	Timelpai Laymonto		
43	Net Cash Provided (Used) by Financing Activities	\$0	\$0
44 N	let Increase (Decrease) in Cash and Cash Equivalents	\$2,650,605	\$50,657,381
45 C	Cash and Cash Equivalents at Beginning of Month	\$57,060,193	\$9,053,417
46 C	Cash and Cash Equivalents at End of Month	\$59,710,798	\$59,710,798

USA Commercial Mortgage Company - Collections Account Attachment A January 1, 2007 - January 31, 2007

Borrowers	Receipts		
Bundy Canyon \$1,050,000	\$	11,754.17	
Cabernet		89,583.34	
Charlevoix Homes, LLC		46,844.44	
Columbia Managing Partners		24,739.72	
Cornman Toltec 160, LLC		138.78	
Elizabeth May Real Estate	1	1,077,860.57	
Fiesta McNaughton		7,786,615.31	
Fiesta Murrieta		72,763.89	
Goss Road		1,027,638.37	
Interstate Commerce Center		178,303.45	
La Hacienda Estate, LLC		40,799.94	
Palm Harbor One		438,048.00	
Rio Rancho Executive Plaza, LLC		745,585.95	
Southern California Land 2nd		48,222.22	
The Gardens Timeshare		50,050.00	
Wasco Investments 400,000			
Total Receipts	\$ 2	2,038,948.15	

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USA COMMERCIAL MORTGAGE COMPANY - INVESTOR ACCOUNT STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 01/31/07

		Actual <u>Current Month</u>	Cumulative (Case to Date)
Cas	h Receipts		
1	Rent/Leases Collected		
2	Cash Received from Sales		
3	Interest Received	\$4,055	\$7,659
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		***************************************
7	Return of Funds from Title Company		\$8,900,000
8	Funding Assignments		\$200,000
9			***************************************
10			
11		1197491 000000000000000000000000000000000000	
12	Total Cash Receipts	\$4,055	\$9,107,659
	h Disbursements		
13	Payments for Inventory		
14	Selling		
15	Administrative		
16	Capital Expenditures		7100 X M
17	Principal Payments on Debt		
18	Interest Paid	***	
	Rent/Lease:		
19	Personal Property	*	
20	Real Property	****	
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries	***************************************	
22	Draws	MANAGEM 1844 1844 1844 1844 1844 1844 1844 184	
23	Commissions/Royalties		<u> </u>
24	Expense Reimbursements	70-00-00-00-00-00-00-00-00-00-00-00-00-0	
25	Other		
26	Salaries/Commissions (less employee withholding)		
27	Management Fees		***************************************
	Taxes:		
28	Employee Withholding		
29	Employer Payroll Taxes		
30	Real Property Taxes		
31	Other Taxes		
32	Other Cash Outflows:	,	
33	Pre-Petition Check Cleared by Bank after Account Closed		\$100,000
34	Principal Payments to Investors	\$120,000	\$9,595,000
35	1 morphi x dymonto to mi obtoto		***
36		***************************************	
37		***************************************	H
38	Total Cash Disbursements:	\$120,000	\$9,695,000
39 Net	Increase (Decrease) in Cash	(\$115,945)	(\$587,341)
40 Cas	h Balance, Beginning of Period	\$1,504,737	\$1,976,133
41 Cas	h Balance, End of Period	\$1,388,792	\$1,388,792

Note

^{1 -} Check cleared by Wells Fargo on April 19, 2006 and not returned to account by the bank.

USA COMMERCIAL MORTGAGE COMPANY - INVESTOR ACCOUNT STATEMENT OF CASH FLOWS

(Optional) Increase/(Decrease) in Cash and Cash Equivalents For the Month Ended __01/31/07_

C	ash Flows From Operating Activities	Actual <u>Current Month</u>	Cumulative (Case to Date)
1	Cash Received from Sales		
2	Rent/Leases Collected		
3	Interest Received	\$4,055	\$7,659
4	Cash Paid to Suppliers	MATTER STATE OF THE STATE OF TH	W
5 6	Cash Paid for Selling Expenses Cash Paid for Administrative Expenses		
U	Cash Paid for Rents/Leases.		***************************************
7	Personal Property		
8	Real Property		
9	Cash Paid for Interest		
10	Cash Paid for Net Payroll and Benefits		·
	Cash Paid to Owner(s)/Officer(s)		***************************************
11	Salaries		
12	Draws		*****
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other	**************************************	***************************************
16	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16 17	Employer Payroll Tax	ATTENDED TO THE STATE OF THE ST	
18	Employee Withholdings Real Property Taxes		
19	Other Taxes		**************************************
20	Cash Paid for General Expenses		
21	Pre-Petition Check Cleared by Bank after Account Closed		\$100,000
22	Return of Funds from Title Company		(\$8,900,000)
23	Principal Payments to Investors	\$120,000	\$9,595,000
24	Funding Assignments		(\$200,000)
25			
26			
28 29	Net Cash Provided (Used) by Operating Activities before Reorganization Items ash Flows From Reorganization Items Interest Received on Cash Accumulated Due to Chp 11 Case Professional Fees Paid for Services in Connection with Chp 11 Case	(\$115,945)	(\$587,341)
30	U.S. Trustee Quarterly Fees		
31			
32	Net Cash Provided (Used) by Reorganization Items	\$0	\$0
33 No	et Cash Provided (Used) for Operating Activities and Reorganization Items	(\$115,945)	(\$587,341)
C	ash Flows From Investing Activities		
2.4	Canital Fuman ditura		
34 35	Capital Expenditures Proceeds from Sales of Capital Goods due to Chp 11 Case		THE TAXABLE PROPERTY OF THE PARTY OF THE PAR
36	Troceeds from Sales of Capital Goods due to Chip 11 Case		
37	Net Cash Provided (Used) by Investing Activities	\$0	\$0
C	ash Flows From Financing Activities		
	-		
38	Net Borrowings (Except Insiders)	***************************************	*****
39 40	Net Borrowings from Shareholders, Partners, or Other Insiders Capital Contributions	***************************************	****
41	Principal Payments		
42	r meipai r ayments	***************************************	
43	Net Cash Provided (Used) by Financing Activities	\$0	\$0
44 N	et Increase (Decrease) in Cash and Cash Equivalents	-	
-7** 140	te increase (Decrease) in Cash and Cash Equivalents	(\$115,945)	(\$587,341)
45 Ca	ash and Cash Equivalents at Beginning of Month	\$1,504,737	\$1,976,133
46 Ca	ash and Cash Equivalents at End of Month	\$1,388,792	\$1,388,792

Note

^{1 -} Check cleared by Wells Fargo on April 19, 2006 and not returned to account by the bank